

COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AFFAIRS

Members of the Board

Gleria Molina Yvonne B. Burke Zev Yaroslavsky Den Knabe Michael D. Antonovich

> Pastor Herrera, Jr. Director

"To Enrich Lives Through Effective and Caring Service"

April 8, 2005

TO: Supervisor Gloria Molina, Chair

Supervisor Yvonne B. Burke Supervisor Zev Yaroslavsky

Supervisor Don Knabe

Supervisor Michael D. Antonovich

FROM: Pastor Herrera, Jr.

Director

SUBJECT: Adelphia Pending Sale: Impact on County Cable Franchises

For some time now, Adelphia Communications Corporation who has been operating while in Chapter 11 bankruptcy has been considering the sale of some or all of its assets. Yesterday, a joint bid by Time Warner, Inc. and Comcast Corp. to purchase all Adelphia assets was presented to the U.S. Bankruptcy Court in New York for consideration of approval. Both the bankruptcy court judge and creditors must approve the deal in order for it to move forward. Many other factors could also effect or even prevent this proposed sale from becoming final.

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The preliminary approval of this sale may result in the County receiving requests to approve the transfer of ownership, or control, of some of its cable television franchises. In such an event, my staff will process the request, provide review and analysis of all issues effecting County franchises, and present them to your Board for consideration of transfer approval.

We will continue to monitor these events and inform your Board once the processes effecting County franchises has been initiated. In the meantime, if you have any questions or concerns regarding this, please call me at 213-974-9750, or, your staff may call, Fern Taylor, Chief, Telecommunications Franchising at 213-974-2711.

c: Board Chief Deputies
DCA Board Liaisons
David E. Janssen, Chief Administrative Officer
Raymond G. Fortner, Jr., County Counsel
Micheline Ruben, Deputy County Counsel
Fern Taylor, Chief, Telecom. Franchising